

At a Glance: Dermatology Trends In Managed Care

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Introduction

In the spring of 2006, the National Association of Managed Care Physicians (NAMCP) and Galderma Laboratories, LP, surveyed almost 3,500 medical directors, pharmacy directors, and other professionals in managed care organizations (MCOs) throughout the U.S. about policies, ongoing problems, and trends relating to care in dermatology. The NAMCP and the American College of Occupational and Environmental Medicine also sent surveys to a sampling of employer representatives involved in decision-making concerning benefit coverage for corporate employees. In addition, researchers surveyed dermatologists in the U.S. about the characteristics of their practices and their relationships with managed care. This brief article summarizes selected findings from the resulting report, called *The Galderma Quality Report for Dermatology & Managed Care* (Volume II).

This second edition of the report, published in 2007, shows that two-thirds of dermatologists surveyed used more biologic therapies for psoriasis during the previous year. In addition, nearly 70% of MCOs surveyed anticipated that dermatologists will use more biologic treatments in the future (Figure 1). The report incorporates surveys of approximately 200 dermatologists from within 3,500 MCOs, and 84 employers on topics ranging from treatment trends to payment, billing, and coding for procedures.

How do you anticipate that dermatologists will use biologic treatments for psoriasis over the next year?

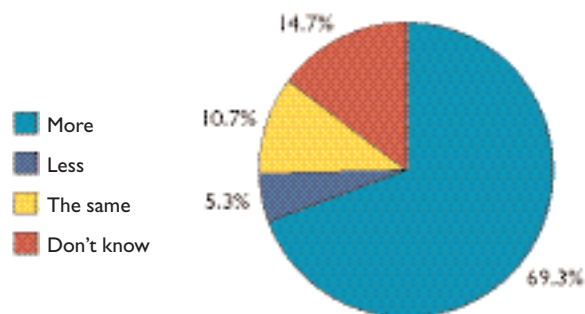


Figure 1 Projected use of biologic therapies. (From *The Galderma Quality Report for Dermatology & Managed Care*, Volume II, 2007.)

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Accepted for publication March 25, 2008.

Formulary Forces

Only 14% of dermatologists surveyed responded that they often or always followed a formulary that they believed to be overly restrictive (Figure 2). More than 50% of dermatologists also said that because of increasing direct-to-consumer marketing by pharmaceutical companies, patients are coming to their offices requesting specific medications.

Managing Phototherapy

In the MCO survey, more than 50% of responding organizations required prior authorization for phototherapy, which can often be used to treat psoriasis symptoms effectively. However, nearly 25% of the surveyed MCOs covered phototherapy with no prior authorization or copayments, whereas 14% required copayments and 12% offered no coverage for phototherapy (Figure 3). In response to a separate question, nearly two-thirds of those surveyed indicated that they did not limit the number of office visits covered for phototherapy.

Concerns of Dermatologists

The survey revealed that in addition to concerns about efficacy, many dermatologists factor the amount of patients' co-

How often do you follow a formulary if you believe the formulary is restrictive?

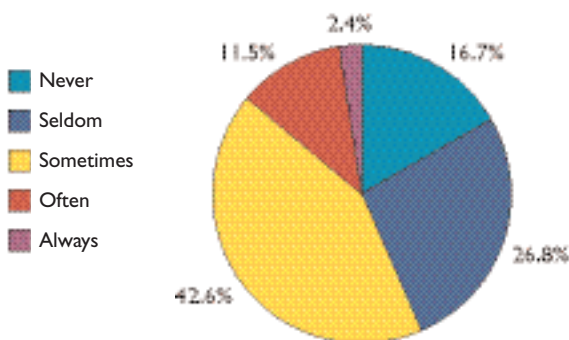


Figure 2 Percentages of dermatologists who prescribe in accordance with formulary restrictions. (From *The Galderma Quality Report for Dermatology & Managed Care*, Volume II, 2007.)

Disclosure: Dr. Scheinfeld has no commercial or financial relationships to report in regard to this article. John Jesitus received financial compensation from Kikaku America International for writing this article for P&T. Mr. Sonnenreich received a grant from Galderma Laboratories to create both versions of *The Galderma Quality Report for Dermatology & Managed Care*, for which he served as Editorial Director.

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To what extent do you manage the use of phototherapy treatment for psoriasis?

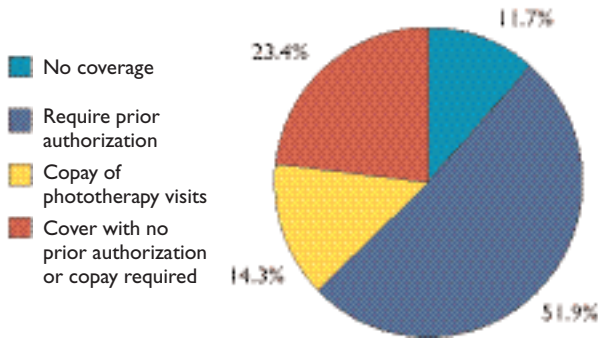


Figure 3 Use of light therapy for psoriasis. (From *The Galderma Quality Report for Dermatology & Managed Care, Volume II, 2007.*)

pays into their treatment decisions (Figure 4). As for billing and reimbursement, two-thirds of dermatologists surveyed said that their interaction with most managed-care plans was improving, as measured by quicker and more accurate payments. Nevertheless, dermatologists also expressed concern about frequent denials of paper claims and reimbursement for surgical procedures that are combined with office visits. Ac-

At what price point do dermatology medication copays become too expensive for your patients?

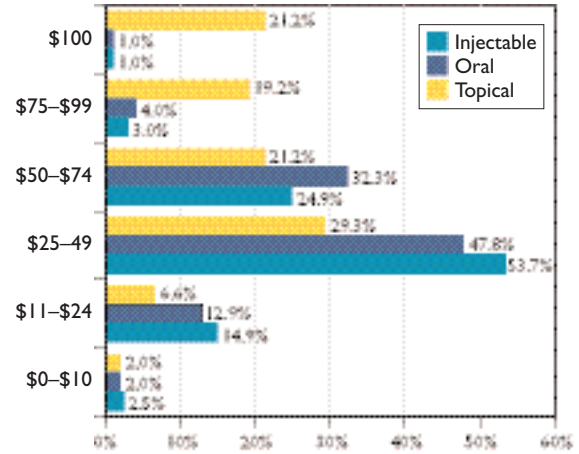


Figure 4 Factoring patient copayments into treatment decisions for dermatological agents. (From *The Galderma Quality Report for Dermatology & Managed Care, Volume II, 2007.*)

ording to Dr. James Zalla, a dermatologist in Kentucky, and a *Galderma Quality Report* advisor, surgical procedures should be payable separately if they are performed and billed at the

Table 1 Tiers for Dermatology Medications

	Tier 1	Tier 2	Tier 3	Tier 4	Not Covered	Total
Acitretin	14 (20.3%)	17 (24.6%)	24 (34.8%)	1 (1.4%)	13 (18.8%)	69 (100.0%)
Accutane	9 (12.9%)	17 (24.3%)	29 (41.4%)	3 (4.3%)	12 (17.1%)	70 (100.0%)
Benzamycin	19 (27.1%)	25 (35.7%)	14 (20.0%)	0 (0.0%)	12 (17.1%)	70 (100.0%)
BenzaClin	9 (12.9%)	25 (35.7%)	21 (30.0%)	0 (0.0%)	15 (21.4%)	70 (100.0%)
Capex Shampoo	8 (11.4%)	22 (31.4%)	19 (27.1%)	1 (1.4%)	20 (28.6%)	70 (100.0%)
Clobetasol	53 (75.7%)	8 (11.4%)	3 (4.3%)	0 (0.0%)	6 (8.6%)	70 (100.0%)
Clobex	8 (11.4%)	17 (24.3%)	27 (38.6%)	1 (1.4%)	17 (24.3%)	70 (100.0%)
Cyclosporine	52 (74.3%)	6 (8.6%)	3 (4.3%)	2 (2.9%)	7 (10.0%)	70 (100.0%)
Differin	9 (12.9%)	23 (32.9%)	26 (37.1%)	0 (0.0%)	12 (17.1%)	70 (100.0%)
Dovonex	11 (15.7%)	34 (48.6%)	17 (24.3%)	3 (4.3%)	5 (7.1%)	70 (100.0%)
Duac	5 (7.1%)	21 (30.0%)	26 (37.1%)	2 (2.9%)	16 (22.9%)	70 (100.0%)
Finacea Gel 15%	4 (5.7%)	21 (30.0%)	22 (31.4%)	0 (0.0%)	23 (32.9%)	70 (100.0%)
Isotretinoin	50 (71.4%)	3 (4.3%)	7 (10.0%)	1 (1.4%)	9 (12.9%)	70 (100.0%)
Luxiq	5 (7.1%)	10 (14.3%)	33 (47.1%)	3 (4.3%)	19 (27.1%)	70 (100.0%)
MetroCream	13 (18.6%)	30 (42.9%)	19 (27.1%)	2 (2.9%)	6 (8.6%)	70 (100.0%)
MetroGel 1%	12 (17.1%)	41 (58.6%)	12 (17.1%)	1 (1.4%)	4 (5.7%)	70 (100.0%)
Methotrexate	61 (87.1%)	5 (7.1%)	2 (2.9%)	1 (1.4%)	1 (1.4%)	70 (100.0%)
Noritrate Cream 1%	9 (13.0%)	23 (33.3%)	20 (29.0%)	1 (1.4%)	16 (23.2%)	69 (100.0%)
Olux	4 (5.8%)	11 (15.9%)	30 (43.5%)	2 (2.9%)	22 (31.9%)	69 (100.0%)
Retin-A	12 (17.1%)	12 (17.1%)	29 (41.4%)	2 (2.9%)	15 (21.4%)	70 (100.0%)
Retin-A Micro	4 (5.7%)	15 (21.4%)	29 (41.4%)	2 (2.9%)	20 (28.6%)	70 (100.0%)
Tazorac	7 (10.0%)	23 (32.9%)	23 (32.9%)	3 (4.3%)	14 (20.0%)	70 (100.0%)
Tretinoin	49 (70.0%)	8 (11.4%)	5 (7.1%)	2 (2.9%)	6 (8.6%)	70 (100.0%)

From *The Galderma Quality Report for Dermatology & Managed Care, Volume II, 2007.*

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same time as a separately identifiable office visit, provided that the appropriate separate service modifiers are submitted on the claim. Most dermatologists surveyed considered their carriers' coverage policies inconsistent, and many reported problems in obtaining fee schedules from health plans.

Dermatological Medications on Formularies

Table 1 summarizes the tiers occupied by dermatological medications. Some products—usually injectables—appear on Tier 4 of all those MCOs that have four-tiered formularies. In fact, the second edition of *The Galderma Report* reveals that since the publication of the report's first edition in 2004, the use of four-tiered formularies by MCOs to manage biologic drug costs has risen by more than 20%.

Tier 4 of a formulary is reserved for specialty drugs such as dermatological products, especially biologic agents or injectables such as etanercept (Enbrel, Wyeth/Amgen), infliximab (Remicade, Centocor), and alefacept (Amevive, Astellas) as well as cosmetic products. In general, MCOs have placed dermatological products on Tier 4 because of their high cost, as a way to encourage dermatologists and patients to try other more cost-effective therapies first, and as a way to require patients to invest financially in their treatment. Survey respondents ranked efficacy, then cost, as the most important factors influencing their decision as to whether or not to include a drug on the formulary.

To order a copy of *The Galderma Report*, readers can visit the Web site www.galdermausa.com. ■

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Treatment-related adverse events (63%) and EPS (13%) were similar for both drugs, but clinically significant weight gain (7% or more above baseline weight) occurred more often with olanzapine (30.6%) than with asenapine (16.9%). In the 40-week extension study among 218 patients continuing the same dosages, response and remission rates remained similar for both treatments, but they had increased to nearly 100%.

Dr. McIntyre stated, "I think it's axiomatic that the longer an individual remains on therapy, the more the likelihood of response and remission increase."

Weight gain remained higher with olanzapine (55.1%) than with asenapine (36%). The frequency of metabolic syndrome increased in the olanzapine patients (from 20% at baseline to 29.9%) but decreased in the asenapine patients (from 26.4% at baseline to 23.4%). The incidence of EPS increased to 35.4% with asenapine but to a lesser degree with olanzapine, to 18.7%.

Virtual Reality Therapy for Post-traumatic Stress Disorder in Iraq War Veterans

• Barbara Rothbaum, PhD, Professor of Psychiatry, Emory University School of Medicine, Atlanta, Ga.

The combination of virtual reality, psychotherapy, and pharmacotherapy reduced the magnitude of startle (a response to an unexpected stimulus) by a significant 75% in 24 veterans with post-traumatic stress disorder (PTSD). Heightened acoustic startle, a symptom of hyperarousal, is common in these patients.

Participants were exposed to virtual reality therapy that was tailored to their own experience. They received D-cycloserine (Seromycin, Lilly) (a broad-spectrum antibiotic that aids in extinguishing fear memories) or alprazolam (Xanax, Pfizer), an anti-anxiety medication. Ultimately, 150 patients are scheduled to be enrolled in the National Institutes of Mental Health study.

The virtual reality sessions consisted of two-minute video clips of scenes depicting the Iraq theater of combat from the viewpoint of a soldier either in a Humvee or on foot patrol. A platform with a "base shaker" (a powerful speaker beneath the patient's seat) simulated the vibrations of an improvised explosive device. Odors of diesel fuel and burning rubber, sounds of explosions, ricocheting bullets, helicopters, and shouts and cries contributed further to verisimilitude. Dr. Rothbaum explained that these sessions, followed by therapy sessions, are designed to repeat traumatic memories until physical and emotional responses diminish. Acoustic startle was assessed before treatment, immediately after treatment, and at three and six months after treatment. All subjects manifested robust startle responses before treatment. In a preliminary report of results, Dr. Rothbaum said that most subjects were doing well; their PTSD symptoms had fallen into the nonclinical range. Startle magnitude decreased by 75% during the course of treatment and reached a nadir six months after treatment.

Similar declines were seen in Clinician-Administered PTSD Scale (CAPS) scores. Although the analysis has not yet compared D-cycloserine and alprazolam effects, Dr. Rothbaum did note that, in her experience, the effectiveness of two virtual reality sessions *with* D-cycloserine was as great as eight sessions of virtual reality *without* medication. The planned completion date of the study is late August 2011. ■